

Reform of the UN System

Management Reform and Mandate Review

In 2006, the United Nations, supported actively by the United States and other member states, focused a great deal of attention on following up on the management reform agenda from the September 2005 UN World Summit. Throughout 2006, delegations continued to work to implement the commitments made by heads of state and government during the Summit. From January through June 2006, Ambassadors Alan Rock (Canada) and Munir Akram (Pakistan) co-chaired plenary discussions on management reform and mandate review. In July 2006, Ambassador David Cooney (Ireland) replaced Ambassador Rock.

The 2006 management reform agenda consisted of a broad range of initiatives to modernize the UN Secretariat; strengthen ethics, oversight, and accountability systems; and review UN program mandates. Due to the scope and complexity of the reform agenda, member states agreed in December 2005 to limit the Secretariat's initial spending authority for the 2006-2007 UN budget to \$950 million: in effect authorizing UN operations through approximately June 2006, with the goal of fostering continued focus by delegations on implementing the decisions from the Summit (General Assembly Resolution 60/247 A-C). Although the cap on spending authority was adopted by consensus, several delegations, particularly among developing nations, later voiced their strong disapproval. As a result few decisions were taken by the General Assembly during the first half of 2006.

On January 3, 2006, the newly created Ethics Office began operations. An American served as interim director in 2006 while a permanent director was being recruited. Under the interim director's leadership, the office launched an ethics-training program and administered the financial disclosure program. In April 2006, the Ethics Office issued the Secretary-General's guidelines for a revised and expanded financial disclosure program (ST/SGB/2006/6). The Ethics Office also established guidelines for the acceptance of *pro bono* goods and services to help prevent conflicts of interest (ST/SGB/2006/5). In August 2006, the Office produced the first report on its operations covering January 1-July 31, 2006 (A/61/274).

In March 2006, the Secretary-General offered his vision for transforming the UN Secretariat to meet the challenges of the 21st century in a report titled "Investing in the United Nations: for a stronger Organization worldwide." The report was the result of the Secretary-General's review of UN budgetary, financial, and human resource practices, and helped set many of the themes discussed by member states during the remainder of 2006. The report proposed broad initiatives in the areas of human resource management, leadership and management structures, information and communications

technology (ICT) systems, program delivery, budgetary and financial operations, and governance.

Despite efforts to reach consensus on a modest package of reforms from “Investing in the United Nations” and to endorse the Secretary-General’s overall efforts to modernize the Secretariat, the Fifth Committee on April 28 adopted a resolution submitted by the Group of 77 and China (A/C.5/60/L.37) by a vote of 108 to 50 (U.S.), with 3 abstentions. The United States voted against the resolution because it rejected or deferred implementation of most of the Secretary-General’s reform proposals. The resolution cast aside the proposals for reorganizing the Secretariat, redefining the role of the Deputy Secretary-General, outsourcing document translation and editing services, and reforming the working methods and governance of the General Assembly with respect to management and budgetary matters. The resolution delayed moving forward on human resource reform, upgrading the ICT infrastructure, strengthening procurement processes, and improving financial management and budgetary practices. As a result, it sent the wrong message in terms of member states’ commitment to reform. In an Explanation of Vote, Ambassador John Bolton stated, “Absent top-to-bottom management reform, the United Nations will continue to be ill-equipped to meet the current demands that we as member states place upon the organization. The United States is committed to pursuing necessary management reforms to ensure that the United Nations remains an effective, efficient, transparent, and accountable organization. As such, the United States is joined by many other states in voting ‘no’ against the Resolution tabled by the Group of 77 and China.”

The vote was a departure from the Fifth Committee’s longstanding practice of making decisions on budgetary and administrative matters on the basis of consensus. On April 27, the United States and 46 other member states sent a letter to General Assembly President Jan Eliasson (Sweden) seeking his help to reach consensus, but this effort to avert a vote in the Fifth Committee was unsuccessful. On May 8, 2006, the General Assembly reaffirmed the decision taken in the Fifth Committee by adopting Resolution 60/260 by a vote of 121 to 50 (U.S.), with 2 abstentions.

On June 28, 2006, the Fifth Committee decided by consensus to approve resolution A/C.5/60/L.44 that lifted the budget cap (see also General Assembly decision 60/561). Because the United States felt that too little progress had been made on management reform, we decided to disassociate from the decision and were joined by Australia, Canada, and Japan, who shared our assessment. In an Explanation of Position, Ambassador Bolton stated: “It is thus with deep regret that the United States finds it necessary to oppose lifting the interim budget cap, and therefore to disassociate from consensus on the lifting of that cap.” Ambassador Bolton further explained that in spite of this difference, the United States was committed to working with other member states to take concrete steps forward before the close of the session.

On July 7, 2006, the General Assembly adopted Resolution 60/283 by consensus, which approved a small set of the Secretary-General's proposals for transforming the Secretariat that included:

- Granting limited authority to the Secretary-General to shift up to \$20 million in budget savings to support priority programs;
- Establishing the position of Chief Information Technology Officer at the Assistant Secretary-General level;
- Endorsing the Secretariat's intention to replace the current ICT system with an integrated enterprise resource planning system; and
- Improving UN financial management practices including through the implementation of International Public Sector Accounting Standards.

While the U.S. government welcomed these reforms, Ambassador Mark Wallace expressed disappointment that the General Assembly did not take more action in terms of oversight and procurement reform. Ambassador Wallace also reaffirmed the U.S. commitment to making further substantive reforms.

In the area of procurement, the Secretary-General proposed a series of reforms designed to improve the overall performance of the procurement service, strengthen internal controls, reduce acquisition costs, create a career path for procurement officers, and increase procurement opportunities for developing nations (A/60/846/Add.5). On December 22, 2006, the General Assembly approved Resolution 61/246 by consensus, which accepted the following initial steps to strengthen the UN's procurement system: endorsing the establishment of an independent bid protest system; improving the training program for procurement officers; and converting 26 temporary positions to permanent posts in support of procurement at headquarters and in the field.

The Secretary-General's reports "Investing in people" (A/61/255) and "Investing in people: Reforming the Field Service category: Investing in meeting the human resources requirements of United Nations peace operations in the 21st century" (A/61/255/Add.1), built upon his goal of transforming the UN Secretariat by proposing an integrated package of initiatives aimed at strengthening the current human resources policies and practices. While the reports contained many worthwhile ideas, some required more development. The ACABQ report (A/61/537) also recommended scaling back on the package of the Secretary-General's reform proposals. The direction of the proposals, as modified by the ACABQ, was generally in agreement with the U.S. government's goals. On December 22, 2006, the General Assembly adopted Resolution 61/244 by consensus. This resolution approved additional resources for leadership and management development; provided resources to upgrade the human resources ICT systems; rejected the Secretary-General's proposal for a staff buyout; and requested follow-up reports on a staff mobility program, consolidation of staff contracts under one set of rules, standardization of the conditions of service in the field, and gender balance.

Finally, member states initiated a systematic review of the mandates of UN activities. The September 2005 World Summit called for a review of all mandates older than five years “to strengthen and update the program of work of the United Nations so as to respond to the contemporary requirements of member states” (General Assembly resolution 60/1). On March 30, 2006, the Secretary-General released a report titled “Mandating and Delivering: Analysis and recommendations to facilitate the review of mandates.” In connection with the report, the Secretariat produced an online database of UN mandates (<http://webapps01.un.org/mandatereview/searchStart.do>).

Throughout 2006, the United States stressed the need for meaningful action on mandate review and outlined specific proposals for the improvement, consolidation and/or elimination of mandates. The United States actively consulted with other member states and the Secretariat on the goals and expectations for mandate review and developed a common approach to mandate review within the Japan-U.S.-South Korea-Canada-Australia-New Zealand (JUSKCANZ) group. However, this common approach was not accepted by other member states.

During the second half of 2006, member states engaged in and completed Phase I of the review – the review of those mandates older than five years and not renewed. Despite active U.S. engagement, progress during this phase was disappointing. Subsequently, due largely to the efforts of the United States and Japan, member states agreed to continue the review of mandates beyond the end of the 2006 deadline set in the 2005 World Summit Outcome Document and to take up those mandates older than five years that have been renewed, under a thematic cluster approach aligned with GA priority areas. However, by the end of 2006, virtually no progress was achieved.

Security Council Reform

During 2006, the United States reiterated its position of support for a modest expansion of the Security Council (UNSC) that could contribute to its strength and effectiveness, as well as its support for a permanent seat for Japan. The United States has not taken a position with regard to the permanent membership of any other countries.

The UN General Assembly held open debates on UNSC reform on April 20 and December 11, 2006. Both debates revealed continued widespread interest among UN Members in expanding the UNSC to increase the number of both permanent and non-permanent members to broaden regional representation; however, the debates also underscored continued, deep divisions on both the size of any expansion and on possible new permanent members.

A group of four African nations (Nigeria, Senegal, Ghana, and South Africa) re-tabled the African Union (AU) resolution on December 14, 2005, after divisive discussions within the AU; this draft resolution had originally been submitted during the 59th General Assembly. The AU resolution called for

expanding the Council to 26 members, with six new permanent members (including two from Africa) and five new non-permanent seats (including two from Africa). The proposal provided for veto rights for the new permanent members.

In light of this African initiative, Germany, Brazil, and India re-tabled the G-4 resolution on January 5, 2006; this resolution had also been originally introduced in 2005. The G-4 framework would increase the Council to 25 members, with six new permanent members (including two from Africa) and four new non-permanent members (including one from Africa). The decision on veto rights for new permanent members would be deferred for 15 years. Japan, originally a member of the G-4, neither “dissociated” itself from the G-4 nor “endorsed” the re-tabled initiative.

The United States has not publicly endorsed any specific plan for Security Council expansion, and opposed the AU and the G-3 (Brazil, India, and Germany) proposals on the grounds that they were overly expansive, calling for 11 and 10 new members, respectively. Both proposals were extremely divisive and neither came to a vote. Throughout 2006, the United States sought to keep the UN focused on more urgent reform priorities, such as management reform.